

WAHLUKE SCHOOL DISTRICT NO. 73
Grant County, Washington
September 1, 1990 Through August 31, 1992

Schedule Of Findings

1. The School District Should Monitor Chapter 1 Migrant Expenditures For Compliance With Program Requirements

Our audit revealed that the Wahluke School District failed to comply with the types of service requirements of the Chapter 1 Migrant program. Ineligible costs in the amount of \$518.32 were claimed for reimbursement in fiscal year 1991.

The *Code of Federal Regulations* 34 CFR 201.10-201.11 states:

Funds may be used by the local education agency only in accordance with the approved State plan and only for those services or activities in its project application.

Due to district error, transportation expenses incurred in May 1991, in the amount of \$518.32, were miscoded to the Chapter 1 Migrant program. These expenses were claimed for reimbursement in fiscal year 1991. The district's application for fiscal year 1991 did not allow for reimbursement of costs associated with transportation.

We recommend that district officials monitor Chapter 1 Migrant expenditures in order to ensure that only eligible costs are claimed for reimbursement.

We also recommend that the district repay \$518.32 to the Chapter 1 Migrant program.

2. Associated Student Body (ASB) Fund Expenditures Should Be Limited To Appropriations

Our audit revealed that the expenditures of the ASB Fund exceeded the amount appropriated by the budget by \$13,024 during fiscal year 1992. State statutes limit expenditure levels to the amount appropriated.

Revised Code of Washington (RCW) 28A.505.150 states in part:

The board of directors shall incur no expenditure for any purpose in excess of the appropriation for each fund

It appears these excess expenditures were made in support of unanticipated ASB activities without necessary budget amendments. Incurring expenditures in excess of appropriations negates budgetary controls established by statutes.

We recommend district officials monitor ASB Fund expenditures and amend the budget when necessary to ensure expenditures do not exceed appropriations.